

Higher rural gas rates are assailed

By Dave Anderton

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The state's utility watchdog group believes consumers in five rural counties may be paying unjust rates for their natural gas service, but the Committee of Consumer Services stopped short Tuesday of endorsing a plan that would lower the rates.

For several years, rural area customers have paid an additional \$16 to \$30 a month to cover the costs of extending natural gas lines to their counties. Some of those counties have paid the higher fees for nearly 15 years. They now want to share those costs with all Questar Gas customers in an effort to promote economic development.

A recommendation to spread \$1.7 million of those costs to 830,000 Utah Questar Gas customers is now before the Public Service Commission. Questar supports the plan, which would lead to an increase of 19 cents a month per customer.

Rob Adams, director of the Beaver County Economic Development Corp., said he is disappointed but not surprised by the committee's decision.

"I don't really have anything against the committee, but they act like that unless you live along the Wasatch Front, they could care less what your problems are," Adams said. "The statement that they made today was nothing more than to placate me."

In a resolution, the committee said rural rates "do not now appear to be just and reasonable."

Committee Chairman Dee Jay Hammon said the rural rates need to be scrutinized in a general rate case.

"We have not seen any justification for them," Hammon said. "We want someone to evaluate it. Our feeling is when we go through it, it will show that the (rates) are not just and reasonable."

In a prepared statement, the committee said it had two major concerns with the proposal.

"One concern is the accuracy of the \$1.7 million that Questar has requested," the statement said. "Another concern is that Questar proposes to permanently include the \$1.7 million annual charge in standard customer rates."

However, Adams feels let down by the committee.

"They have affirmatively and without reservation said, 'We don't represent you. We represent the masses along the Wasatch Front, and we could care less if you have higher poverty rates, if you have difficulty attracting industry to your counties. It doesn't matter to us. We don't care,'" Adams said.

Chad Jones, a spokesman for Salt Lake-based Questar Gas, said a portion of costs to extend natural gas service to any customer is always borne by every customer.

"The payback on those costs to us is years and years," Jones said. "We're supporting the task force recommendations, but if the commission doesn't deem it in the public interest, we're happy to go on collecting these revenues as we have for years and will for years into the future."

A PSC hearing on the matter is set for 9 a.m. Feb. 8, with public comment scheduled at 4:30 p.m.

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